PRINCE EDWARD ISLAND

PAY EQUITY

DEPARTMENT OF LABOUR

PAY EQUITY BUREAU

A Report Covering the Period April 1, 1990 to September 30, 1990.

Faye Martin Birt
Commissioner of Pay Equity

91-06511/

The Honourable Marion L. Reid
Lieutenant Governor of the
Province of Prince Edward Island

May It Please Your Honour:

I have the honour to submit the fourth report of the Pay Equity Bureau for the operating period April 1, 1990, to September 30, 1990.

I have the honour to be, Madam,

Your Obedient Servant,

Roberta Hubley
Minister of Labour

September 30, 1990.

To The Honourable Roberta Hubley
Minister of Labour
Province of Prince Edward Island
Charlottetown, PEI

Madam;

It is with distinct privilege that I submit to you the fourth report of the Pay Equity Bureau for the six month operating period of April 1, 1990, to September 30, 1990.

Respectfully,

Faye Martin-Birt

Faye Martin-Birt
Commissioner of Pay Equity

BACKGROUND

The Pay Equity Act was proclaimed on October 1, 1988. Its stated objective is to "achieve pay equity by redressing systemic gender discrimination in wages paid for work performed by employees in female-dominated classes and to maintain pay equity in the public sector." The Act established a four-stage process and a timetable for the implementation of pay equity. Public sector employers covered by the Act are required to systematically analyze, evaluate, and compare jobs predominantly performed by women to jobs predominantly performed by men in terms of relative value of the work performed and the wages paid for the work. This process is to be conducted jointly with recognized bargaining agents and representatives of employees who are excluded from the recognized bargaining units. If, as a result of this analysis, gender based wage discrimination is revealed in the organization's compensation practices, wage adjustments are implemented to correct this bias. The Act also requires employers to maintain pay equity once it has been achieved.

THE PAY EQUITY BUREAU

The Pay Equity Act designates the Pay Equity Bureau as the agency responsible for administering the Act and sets out a number of educational, assisting, monitoring, regulatory and reporting duties to be performed by the Bureau. These include:

- Providing information to any person concerned with pay equity.
- Providing assistance to public sector employers, employees and the appropriate bargaining agents in the implementation of pay equity.
- Preparing and disseminating educational material relating to pay equity.
- Monitoring the progress of public sector employers in the implementation of pay equity.
- Initiating and overseeing pay equity negotiations required to be undertaken by the public sector employer and the appropriate bargaining agents.
- Reporting to the Minister of Labour, at least every six months, on the progress of pay equity implementation.

- Preparing and maintaining statistics relating to pay equity.
- Receiving and processing complaints regarding compliance with the Act.
- Performing such other duties as the Minister may determine.

The Pay Equity Bureau staff, appointed under the Civil Service Act, consists of four full-time positions:

Commissioner of Pay Equity - Faye Martin Birt
Pay Equity Officer - Glenda Rodd
Pay Equity Officer - Frances Piercey
Secretary - Dawn Cahill

The Commissioner of Pay Equity, as chief administrator of the Bureau, is responsible for ensuring compliance with the Act. In order for the Bureau to carry out its functions, the Commissioner and the pay equity officers may summon witnesses, require the production of documents, administer oaths, have access to places of employment and issue orders and directions when necessary.

An amendment to Section 5(1) of the Pay Equity Act, passed by the Prince Edward Island Legislature on March 7, 1990, has officially made the Pay Equity Bureau an independent Bureau within the Department of Labour. The original Act established the Bureau as part of the Women's Division of the Department.

The Pay Equity Bureau sees the primary objective of pay equity legislation in Prince Edward Island as enabling pay equity to be achieved expeditiously and fairly to all parties concerned. The Pay Equity Act is designed to enable public and broader public sector employers and employee representatives to achieve pay equity through a process of negotiations focused upon problem solving and consensus building. The thrust of administering the process will therefore remain, wherever possible, in the hands of the parties themselves. The Bureau responds to requests for technical advice and guidance where it is appropriately within its mandate to do so.

The Bureau continues to affirm the Pay Equity Act as remedial anti-discrimination legislation and, as such, the Commissioner of Pay Equity will interpret and apply its provisions broadly to facilitate the implementation, achievement and maintenance of pay equity in the public and broader public sectors of Prince Edward Island.

PROGRESS REPORT - PAY EQUITY IMPLEMENTATION

Introduction

As stated earlier, the Pay Equity Act outlines four stages to be followed by public sector employers and bargaining agents/employee representatives in implementing pay equity in each establishment. The Act specifies the tasks to be completed by the parties in each stage and the time schedule to be followed. (See chart on following page.) During Stage I (9 months) agreement must be reached on a gender-neutral job evaluation plan and on the male-dominant (60%) and female-dominant (60%) classes in the establishment to which the plan will be applied. During Stage II (12 months) the work in each of the job classes is evaluated, wage inequities are identified and the parties agree on the total amount of pay equity adjustments due to each employee group. In Stage III (3 months) the parties negotiate the allocation and implementation of pay equity wage adjustments among female job classes where inequities have been found. Stage IV is the final period during which the employer makes wage adjustments at the rate of 1% of the total payroll each year, until pay equity has been achieved. These wage adjustments must begin no later than twenty-four months after the beginning of Stage I.

The pay equity process began in four public sector establishments on January 1, 1989:

- The Government of Prince Edward Island (departments, boards and agencies within the civil service)
- Georgetown Shipyard Inc.
- The Prince Edward Island Grain Elevators Corporation
- The Prince Edward Island Development Agency.

PAY EQUITY ACT

Implementation Stages of Pay Equity

CIVIL SERVICE

Date of Proclamation of the Pay Equity Act	Section 14 (1)(a)(i)(ii)	Section 14 (1)(a)(i)(ii)	Sec. 14 2)(a)(b)	Sec. 14(3) & Sec. 10
3 Months	9 Months	12 Months	3 Months	1-2-3-4-5 Years
	STAGE I	STAGE II	STAGE III	STAGE IV

PUBLIC SECTOR EMPLOYEES OUTSIDE THE CIVIL SERVICE

	Section 14 (1)(a)(i)(ii)	Section 14 (1)(b)(c)(i)(ii)	Sec. 14(2) (a)(b)	Section 14(3) & Section 10
15 Months	9 Months	12 Months	3 Months	1-2-3-4-5 Years
	STAGE I	STAGE II	STAGE III	STAGE IV

NOTE: The number of years it takes to achieve Pay Equity is determined via the negotiating process and is impacted upon by Section 10.

During the period from April 1, 1990, to September 30, 1990, the Pay Equity Bureau continued to monitor the progress of pay implementation in each of these establishments. As stated in the previous report (March 31, 1990), the pay equity joint committees in each organization had completed the tasks required for Stage I of the process and were progressing well in Stage II. By September 30, all had completed the necessary job evaluations in their gender-dominant classes. At this point in the process the respective joint pay equity committees in the civil service and each of the three crown agencies decided that the best way to proceed would be to combine the remaining tasks to be accomplished in Stage II and Stage III. That is, they agreed that the process of identifying wage inequities and calculating the total cost of correcting these inequities (Stage II) and the process of negotiating the yearly allocation and implementation of the pay equity wage adjustments (Stage III) would be best accomplished in combination. It was expected that the completion of these tasks and the filing of final agreements with the Commissioner of Pay Equity would occur during the period specified in the Act for Stage III: October 1, to December 31, 1990. At the end of the reporting period (September 30, 1990), all parties were working towards this goal.

During the reporting period another agency, the Food Technology Centre, began implementation of pay equity. This organization is a subsidiary of the P.E.I. Development Agency, one of the crown corporations which began the process in January 1, 1989. The Development Agency requested an opinion from the Pay Equity Bureau on the status of the Food Technology Centre under the Pay Equity Act. The Bureau, after consultation with its legal counsel, concluded that the Food Technology Centre was an agency of the Crown and therefore a "public sector employer" as defined in Section 1(k) of the Act. The Centre then formed a joint committee of employer and employee representatives and began the pay equity implementation process in the summer of 1990. At this time the Pay Equity Bureau provided training to the committee and began monitoring the process. This organization's objective is to complete the implementation of pay equity in as timely a manner as possible. By September 30, the Stage I tasks had been completed (fixing of gender-dominant classes and selection of a job evaluation plan) as well as the process of

collecting detailed job information for the purpose of evaluating the jobs. When the Stage II and Stage III tasks are completed, and pay equity wage adjustments are identified, the Food Technology Centre will make these adjustments retroactive to January 1, 1991.

Broader Public Sector

The "broader public sector" under the jurisdiction of the Pay Equity Act consists of the following employers:

- The University of Prince Edward Island
- Holland College
- general hospitals and P.E.I. School of Nursing
- regional school boards
- county addiction services organizations
- licensed, non-government nursing homes
- Charlottetown Area Development Corporation
- Summerside Waterfront Development Corporation.

The above list includes twenty-nine separate employers. However, three groups of these employers - the hospitals and school of nursing, the school boards and the county addiction services each conduct collective bargaining on a province-wide basis. The Act specifies that such groups are each to be treated as separate establishments for the purpose of pay equity negotiations. Therefore the actual number of pay equity processes in the broader public sector is sixteen.

These broader public sector employers began Stage I of pay equity implementation on January 1, 1990. During the reporting period April 1, 1990, to September 30, 1990; the Pay Equity Bureau continued to monitor and facilitate the pay equity implementation process in the broader public sector as well as in the civil service and crown agencies. In each of the broader public sector establishments, joint committees of management and union and/or other employee representatives met to negotiate the necessary agreements required. The Pay Equity Officer assigned to each of the establishments attended meetings wherever possible to oversee negotiations and to provide guidance where appropriate and training/information sessions when needed/requested.

As noted earlier in this report, the two matters to be agreed on during Stage I are the identification of the job classes which are male or female dominant and the selection of a job evaluation plan or system which will be used to evaluate the work in the gender-dominant job classes. In most situations, the first task was completed without difficulty. In the case of several nursing homes, it was noted that all job classes were female dominant and it was agreed that it would not be necessary to select a job evaluation system, since it would not be possible to conduct the type of comparisons between male and female dominant classes that the Act specifies. Following consultation with the Bureau, these nursing home pay equity committees filed agreements with the Commissioner of Pay Equity, identifying the job classes and explaining why the committee would not be proceeding further. The joint committee in an additional nursing home had identified only one male job class and, at the end of the reporting period, were attempting to resolve the question of whether or not pay equity comparisons would be possible. A disagreement arose in the school boards joint negotiations, as to the identification of gender-dominant job classes. This resulted in two complaints being submitted to the Commissioner of Pay Equity under Section 6 of the Act. Several months delay in that particular process resulted. The complaints were resolved and the parties filed an agreement with the Bureau at the end of Stage I, fixing the gender-dominant classes and agreeing to proceed with the selection of a job evaluation system.

In all of the remaining public sector establishments the joint pay equity committees completed the necessary tasks for Stage I and filed their agreements with the Commissioner of Pay Equity in a timely fashion. All agreements were reviewed by the Bureau. Where information was missing or the agreement was unclear, the parties were contacted for clarification.

PAY EQUITY BUREAU ACTIVITIES

Educational Activities

As stated above, the Pay Equity Bureau has continued to provide training and/or information sessions, as needed, for the parties to the pay equity process: public sector employers or their representatives, unions or other employee representatives and employee groups. During the reporting period, sessions were conducted for newly-formed pay equity or job evaluation committees, for new members of existing committees and for employee groups in several establishments. The Commissioner of Pay Equity has also responded to requests for presentations to outside groups.

The Bureau produced a booklet entitled "Job Evaluation" during this period. This publication was distributed to all pay equity committees in the public sector organizations covered by the Act. Guidelines for preparation of Stage I pay equity agreements were printed and distributed among the broader public sector committees. Other Bureau publications, including a series of seven pamphlets and a booklet outlining the legislative requirements of the Act, have been distributed to new pay equity committees and committee members as well as to the general public on request. The Bureau responds to requests for information on pay equity, by correspondence or by telephone, on an ongoing basis.

The Second Intergovernmental Conference on Pay Equity

The Pay Equity Bureau hosted the second annual Intergovernmental Conference on Pay Equity on June 19,to 22, 1990. The thirty-three conference participants, representing eleven jurisdictions across Canada, met to exchange information on pay equity and to share experiences. The conference was chaired by Faye Martin Birt, the Commissioner of Pay Equity.

The agenda for the first day of the conference was reserved for status reports on pay equity activity from the various jurisdictions. Three of the provincial governments -- British Columbia, Alberta and Saskatchewan -- did not have pay equity legislation at that time. Representatives from these provinces reported on stages they had reached in addressing the problem of gender-based wage discrimination. Experiences with the administration of complaint-based legislation (federal and Quebec jurisdictions) were described. Ontario and Manitoba delegates were able to report results of pay equity efforts; in both provinces the analyses had been completed and inequities identified in the provincial civil service. The four Atlantic provinces are proceeding towards pay equity implementation in their public sectors. Representatives from each province shared information on achievements to date in the various establishments under their jurisdictions. The jurisdictional updates were supplemented throughout the day with an exchange of practical information on problems encountered, strategies developed and hindsight wisdom acquired.

During the remaining day and a half of the conference, panel presentations and discussions occurred on a number of issues. Topics covered included: the pay equity implementation process, eliminating gender bias, wage and salary administration, dispute resolution mechanisms and long-term effects of pay equity initiatives. The P.E.I. Pay Equity Bureau participated extensively in the panel presentations. Judging by the audience response to the panels, all of the material covered was of immediate interest and concern to pay equity practitioners.

A subsequent conference, sponsored by Labour Canada, is scheduled for June 1991 in Ottawa.

Receiving and Processing of Complaints

Two complaints were filed with the Commissioner of Pay Equity under Section 6 of the Act during this reporting period, both related to the pay equity negotiations being conducted in the regional school boards. The first complaint, lodged by the Canadian Union of Public Employees (CUPE) against the employer (the Education Negotiating Agency) and the PEI Teachers' Federation (PEITF), alleged that the position taken by these two parties in identifying 'teachers' as one, gender-neutral job class, was in contravention of the Act. The second complaint was filed by PEITF against CUPE and alleged bad-faith bargaining.

Since these were the first complaints filed under the Pay Equity Act, a considerable amount of work on the part of the Bureau was required in developing procedures and guidelines so that due process would be followed. The Bureau prepared two documents, "Pre-Hearing Conference Guidelines" and "Pay Equity Hearings Guide" and distributed these to the parties. Following a pre-hearing conference held on August 15, 1990, the two complaints were resolved prior to the scheduled evidentiary hearing. The settlement agreement included the designation of six job classes which encompassed all teaching positions in the school system.

CONCLUSION

This fourth report of the Pay Equity Bureau to the Minister of Labour covers a period during which pay equity activity has featured negotiation of agreements, measurement and identification of inequities and conflict resolution. The parties have demonstrated a willingness to work diligently towards meeting the objectives of the Act, i.e., the elimination of gender-based wage discrimination. By the end of the next reporting period (October 1, 1990, to March 31, 1991), results from these efforts will have emerged.